

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6501**

**BILL NUMBER:** HB 1478

**NOTE PREPARED:** Dec 18, 2012

**BILL AMENDED:**

**SUBJECT:** Student Transfers.

**FIRST AUTHOR:** Rep. Lucas

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill removes the requirement that, for a student to transfer from one school corporation to another school corporation pursuant to a request from the student's parent or (if at least 18 years of age) the student, the request for the student's transfer must be approved by the school corporation from which the student would transfer.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Summary:* The bill could increase expenditures by school corporations for transfer tuition; however, the potential increase is indeterminable.

**Background** - Under current law, a transfer may be requested if a student may be better accommodated in the public schools of the transferee corporation rather than the transferor corporation. Whether the student can be better accommodated depends on: (1) crowded conditions of the transferee or transferor corporation; and (2) curriculum offerings at the high school level that are important to the vocational or academic aspirations of the student. If both the transferee and transferor schools approve the transfer request, then the transferor school corporation is required to pay transfer tuition to the transferee school corporation. If the transferor corporation does not approve the transfer request, then the student can still transfer for any reason with the approval of the

transferee corporation if the student's parent pays the transfer tuition.

Not requiring the transferor school corporation's approval could decrease the number of transfers where the parent pays transfer tuition and increase the amount of transfer tuition paid by school corporations. It is unknown how much the increase might be. The following chart shows the amount of transfer tuition paid by school corporations and parents for the last three years.

Year	Transfer Tuition From Corporations	Transfer Tuition from Parents
2011-12	\$16.4 M	\$5.8 M
2010-11	\$15.3 M	\$8.7 M
2009-10	\$17.8M	\$7.1 M
2008-09	\$16.6M	\$9.4 M

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Local schools.

**Information Sources:** Department of Education biannual financial data.

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.